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China Report

AGRICULTURE



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29 APRIL 1986

CHINA REPORT

AGRICULTURE

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NATIONAL

PRC AGRICULTURAL BANK BORROWS FROM FOREIGN COMMERCIAL BANKS

HK160504 Beijing CHINA DAILY in English 16 Apr 86 p 2

[Text] The Agricultural Bank of China has borrowed millions of dollars through international monetary organizations and foreign banks for China's rapidly developing agriculture and rural enterprises, according to a bank official.

Ren Lichang, deputy director of the bank's external affairs department said this was the first time the bank had borrowed from foreign commercial banks.

The International Development Association [IDA] of the World Bank is providing more than \$143 million in loans to help agricultural development, processing, storage and transport in underdeveloped areas under three agreements signed between the Agricultural Bank of China and the association since 1982.

Two of the agreements, involving a total of \$93 million, were signed in 1985, Ren said in Beijing. Already, \$18 million of IDA loans had been put to use, he said.

The International Fund for Agricultural Development is also providing loans worth \$25 million, according to an agreement signed with the Agricultural Bank. Besides, the Nordic Investment Bank has agreed to provide China with 5 million Swiss francs in buyer's credit to assist two state farms in Hebei Province to buy equipment from Finland, according to an agreement signed with the Agricultural Bank in 1985.

Meanwhile, Citibank of the U.S. had expressed willingness to offer the bank \$300 million in long-term loans, Ren disclosed. Discussions are now under way.

Banks in Austria, West Germany, Japan, Australia and Finland had also shown interest in providing loans to the bank, the deputy director said.

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NATIONAL

CHINA'S FUTURE GRAIN PRODUCTION NEEDS SURVEYED

Beijing NONGYE JINGJI WENTI [PROBLEMS OF AGRICULTURAL ECONOMICS] in Chinese No 9, 23 Sep 85 pp 8-11

[Article by Wang Zhiqiang [3769 1807 1730] and Fang Yupeng [2455 3768 7720], Bureau for Regulation of the Economy, State Statistical Commission: "Proposal To Insure Steady Growth in Grain Output"]

[Text] With the implementation of Central Committee Document No 1 for 1985, a series of heartening changes has taken place in China's rural economic situation. The structure of rural industry has gradually become more rational; lateral relationships in the rural economy have been strengthened further; socio-economic benefits from agricultural production have risen, and the entire rural economy is poised in the direction of pervasive healthy development. In the process of development, however, some noteworthy new situations and new problems have also arisen. Among them have been some arresting changes that have taken place in grain production during 1985. Everyone is universally concerned right now with whether it is necessary, in view of the changed situation during 1985, to readjust countermeasures correspondingly. Views are also not entirely unanimous on this issue. A discussion of some of our views is provided below.

Changes This Year

As a result of readjustments to the structure of rural industry and institution of new policies on grain procurement during the year, some noteworthy changes occurred in China's grain production. Taken together, these changes were in the following regards. One was signs of a decline in peasant enthusiasm for growing grain. Extrapolations from representative samplings show that the area sown to grain crops this year may be several percent less than last year, making it the year of greatest decline in recent years. In some places, farmland has been left uncultivated. Second has been a reduction in peasant material investment in grainfields. Sales of chemical fertilizer during the first half of this year were much lower than for the same period last year, and everywhere a situation of slack sales and accumulation in inventory of chemical fertilizer occurred. In some places seedlings were transplanted without any fertilization. In addition, peasants have been lax about tending grainfields. Third has been changes in proportions of grain crops planted, with a decline in the proportion of high yield crops. In the

south, less indica rice and wheat was grown and more japonica, barley used in making beer, broad beans and peas were grown. In the north, less corn was grown and more wheat and miscellaneous grains were grown. This change should be said to be entirely normal. Fourth fixed grain procurement contracts did not fulfill state plan, a situation arising in which the peasants did not want to sign contracts.

The aforementioned changes bring the following directly in their wake. First, grain yields per unit of area and gross output may both be less than last year. Second, year-end national grain receipts will definitely suffer, first of all because the amount of grain that the state has been able to order this year was less than last year, and secondly because there may be a slight increase in the amount of grain paid out. Increases in grain payouts may result principally from readjustments to the structure of rural industry and support for road construction in mountain areas.

Evaluation of Trends in Grain Production

Opinions differ as to how to deal with changes in this year's grain production and their effects. Though this year's grain output may be somewhat reduced, in terms of current year supply it will not be so bad that it causes a grain shortage. On this point there is unanimous agreement. The divergence of opinion is about the level at which grain output should be maintained during the next 2 or 3 years, and whether it is necessary to watch the next 2 or 3 years to insure steady growth of grain production or whether some action should be taken at once.

Some comrades believe that if grain output for the country as a whole is maintained at the 1983 level for the next 2 or 3 years, a balance between supply and demand for grain will be achieved and, even if the grain output figures for 1984 are not maintained, no new shortage situation will occur and there is no need to take any further action.

Other comrades maintain that grain production is affected by natural factors and the production cycle, that it is intimately related to the people's standard of living, and that it is a special commodity that differs from other commodities. Ability to achieve steady growth in grain production has a direct bearing on social order and steady development of the national economy. China's output of grain currently stands at only 791 jin per capita, which is lower than the world average. Furthermore in 16 provinces and regions, grain output is lower than the national average. For several tens of million people, the problem of sufficient food and clothing has not yet been solved. For the next several years population will increase by between 12 and 13 million annually, and both changes in the diet and development of animal husbandry will require increased grain production. Compared with developed countries, China still has a long way to go. China does not have much grain; it has very little. Consequently, grain production positively cannot be treated lightly. Emphasis still has to continue to be placed on maintaining the grain growing area fairly stable while trying to increase yields per unit of area. Grain output has to reach between 900 and 920 billion jin by the year 2000 in order to be able to meet the basic needs of all. This requires a 2 percent annual increase in gross output of grain during the Seventh Five-year Plan period.

Gross output of grain for 1986 must maintain the 1984 level at the very least and should increase slightly.

How can steady growth of grain production be maintained? Some comrades have proposed making fixed purchase grain contracts quotas of a directive nature that all jurisdictions must fulfill. Other comrades believe that 1985 "inverted 30 to 70 percent" proportional prices are lower than real 1984 price's, and they recommend raising the purchase price suitably. Still other comrades suggest unrestricted purchases at the "inverted 30 to 70 percent" proportional price, and many comrades have proposed a lowering of procurement prices for some cash crops to cause a shift to the growing of grain.

We believe that the Chinese people are currently in process of changing their diet from having enough to eat to eating well, and that the amount of demand for grain is affected by these changes in diet. Changes in diet are affected, in turn, by the rise in the people's level of consumption. Prices for fresh and live agricultural and sideline products have been opened up this year, and prices of meat, poultry and eggs have risen in varying degrees. In order to insure that there is no decline in the standard of living of the broad masses of people, the state provides a certain amount of subsidies to consumers. This year wage reforms will be carried out and then consumers income will increase. Production of meat (mostly pork) has now begun to rise again, but it is difficult to forecast whether or not consumption will also rise. A look at the situation in 1984 shows that most of the increased purchasing power of urbanites went for durable consumer goods, for industrial manufactures used in daily life, and remained in residents' pockets. It is still too early to forecast whether whether last year's difficulty in selling grain will turn into this year's difficulty in selling hogs and selling pork. However, there are already some clues, and with the beginning of the busy season for live hogs about to arrive, this problem should be given attention.

Just how much grain will society require during the next several years? It is difficult to say precisely right now. The extent to which demand for grain may change mostly as a result of changes in diet has yet to be charted accurately. Calculations made from random samplings show that from 1978 through 1984 grain consumption increased by approximately 24 billion jin annually, reaching 740 billion jin in 1984. Though no great changes in diet will occur in 1985 or 1986, it will still be necessary to increase grain output by 24 billion jin annually to 764 billion jin in 1985 and 788 billion jin in 1986. Inasmuch as grain consumption is not likely to decrease suddenly, and in view of the effect of the elements on grain production that give rise to fat years and lean years, we believe that in overall terms of reform of the economic system, forecasts about the amount of grain needed should be enlarged somewhat to allow a certain amount of needed leeway. Thus, it will still be necessary in the future to emphasize continue firm grip on grain production.

Whether some major actions will have to be taken in 1986 is largely a question that has to do with whether fixed procurement contracts provide the amount of grain needed in 1986. The crux of whether fixed procurement contracts for grain can be carried out lies in the 1985 autumn grain harvest. The situation right now suggests no major problems with the fixed procurement of summer

grain in 1985. Not only are fixed procurement contracts likely to be fulfilled, but additional grain will probably be available for sale at market prices. The following table compares country fair market prices with "inverted 30 to 70 percent" proportional prices in several major wheat growing areas during early May 1985:

Place	Country Fair Market Price (Yuan/100 jin)	Inverted 30 to 70 Percent Proportional Price (Yuan/100 jin)
Hebei	23.00	23.36
Heilongjiang	24.00	22.55
Jiangsu	21.00	21.20
Anhui	22.00	21.30
Shandong	25.00	22.63
Henan	23.00	22.53
Average	23.00	22.26

Generally speaking, the country fair market price of wheat is close to and just a little higher than the proportional price. Once the new wheat crop is in, it is expected that the country fair market price will decline a little. Thus, wheat procurement at the "inverted 30 to 70 percent" proportional price will not be a very large problem this year.

The difficulty is with the autumn grain harvest. The 1985 reduction in area planted applies mostly to the autumn grain growing area, and weather has a substantial effect on the autumn grain harvest causing inconsistent output. The country fair market price of autumn grain during the last half of 1985 will have a direct bearing on how well fixed procurement grain contracts are carried out in 1986. As of now, two different situations may arise. One is that pork consumption will not rise making it difficult to sell hogs. Peasant enthusiasm for raising hogs will fall and they will want to sell grain. Once the autumn grain reaches markets, the country fair market price will be close to the "inverted 30 to 70 percent" proportional price. In that case, fixed procurement grain contracts for 1986 can be carried out. The other situation is that once autumn grain reaches markets, the market price will be higher than the "inverted 30 to 70 percent" proportional price, with the result that some peasants may not be willing to sign contracts for 1986. Should this situation occur, it will mean only that peasants do not want to sign contracts, but there will be no decline in enthusiasm for the production of grain. Output of autumn grain in 1986 may increase. At that time, country fair market prices will slide and it will be possible for the state to purchase grain at either the "inverted 30 to 70 percent" proportional price or at the prevailing market price, making it possible to fulfill grain procurement quotas in this way.

On the basis of the foregoing analysis, we believe that consideration should be given to taking no major action on the 1986 grain issue. Were fixed procurement of grain by contract to be made a plan that is in the nature of a directive, that would be bad for readjustment of the structure of rural industry and for future reform of prices of agricultural products. Raising prices and unrestricted purchases would be bad both for making full use of the

market mechanism and for getting the peasants to respond to market demand more quickly and better. It would also increase the burden on the central treasury.

We believe that it will take 3 years of readjustments for agricultural production to meet market demand. With 2 to 3 years of practice, peasants will gradually become familiar with market laws and market demand, and functioning of the market mechanism will gradually make more rational both the structure of rural industry and the proportions of various agricultural products. As a result of practice, we will also find some demarcation lines as a basis for regulating direction. When that time comes, our work may become more active.

Several Suggestions

In view of the 1985 grain production situation and in order to insure steady growth in future grain production, consideration should be given to the use of some indirect regulatory methods.

1. Appropriate hike in grain allocation and transfer prices among provinces and regions. Prevailing grain allocation and transfer prices among provinces are made up of previous monopoly procurement prices plus operating expenses, the gap between monopoly procurement prices and "inverted 30 to 70 percent" proportional prices being borne by the central government treasury. The result is that many provinces and regions clamor to increase the amount of grain brought in from elsewhere. Not only does this result in an inequitable flow of grain, but it adds to numerous unnecessary transportation burdens. Thus, in the process of readjusting the rural industrial structure, there has to be an equitable regionalization of agricultural goods production, and these distorted price relationships have to be ironed out. This is the only way to help make the most of regional strengths and to do the most with long suits while avoiding short suits.

It is suggested that finances and grain be linked as the basis for instituting a contract system for allocations and transfers of grains, all grain contracted for being priced at the "inverted 30 to 70 percent" proportional price plus operating expenses. Increases in in-shipments of grain above and beyond contracted requirements can be ordered by the province from the state at negotiated prices or may be ordered from other provinces or counties at negotiated prices, the increased expense to be borne by the province. Consideration may also be given to having the central treasury allot to the grain-importing province of the difference between the "inverted 30 to 70 percent" proportion and the monopoly procurement price on the basis of the amount contracted. Ordering at negotiated prices is to be instituted for transfers of grain into a province. All provinces may either place orders at negotiated prices with the state or with other provinces and counties. The aim should be for that portion of grain under state plan gradually to be concerned only with strategic reserves and regulation of supply and demand. This will both help make more rational regional grain production patterns and will also help some provinces and regions reduce some of their unnecessary in-shipments of grain and increase the province's own grain production, all of which will help stabilize grain production, reduce pressures on transportation and alleviate the burden on the central government treasury.

2. Downward adjustment of prices of some cash crops for which the supply is greater than the demand and reduction of the areas sown and amount of these crops to bring about a corresponding increase in the area sown to grain crops. The price of cotton in cotton growing areas of north China should be lowered appropriately so that peasants will produce less cotton and shift their production to grain or to other cash crops. Consideration should also be given to the appropriate lowering of procurement prices paid for jute, amber hemp and flue-cured tobacco in conjunction with other measures to restrict the growing area and shift to the growing of grain or of other cash crops.

3. Insure the availability of loans needed to procure agricultural and sideline products and for agricultural production in 1985 in order to protect peasant enthusiasm for grain production. Right now agricultural credit is tight everywhere and IOU's for the purchase of agricultural and sideline products have piled up. This year's reduction of peasant investment in agriculture is directly related to the shortage of farm credit as well. Unless this state of affairs is solved with all possible speed, it will inevitably impair future peasant enthusiasm for growing grain. Everything possible must be done to solve the problem of loans for the procurement of agricultural and sideline products and for agricultural production. These credit funds should be specially controlled, dedicated for special use and not be diverted to other uses in order to insure that procurement of agricultural and sideline products proceeds smoothly.

4. Strict control of takeovers of cultivated land for construction. Ill-advised and rampant takeovers of cultivated land have appeared again since the last half of 1984. Rough calculations made by the Ministry of Farming, Animal Husbandry and Fishery Bureau of Land Management show a reduction during 1984 of nearly 20 million mu of cultivated land throughout the country versus a 7 to 8 million mu increase the year before. This situation has continued during 1985. Reduction in cultivated land ultimately exerts pressure on the grain growing area. Corresponding stability of the area sown to grain requires maintaining fairly stable the cultivated land area.

For this reason, land management organizations should be set up and improved at every level. They should follow the principle of saving every inch of soil in the formulation of land use plans, set up a strict land examination and approval system and carry out supervision and inspection. Consideration should also be given to the collection of funds for the restoration of land from units that take over land (including peasants). This money should be used mostly for bringing wasteland under cultivation, for farmland capital construction, and for the improvement of agricultural production conditions.

5. Improvement of the grain contract procurement system. Most of the peasants who grow grain today have little education, poor skills and insufficient funds. Their ability to adapt to markets is low. In order to relieve their genuine hardships, when the state signs contracts with them, the state should bear corresponding obligations. Consideration should be given to link ups to orders for grain procurement, making down payments in advance of procurement or selling on credit to peasants of the means of agricultural production such as chemical fertilizer, pesticides or fine quality seeds as well as providing technical services so as to relieve some of their genuine hardships.

6. Simultaneous with readjustment of the structure of rural industry and the shift of rural workforces should be a gradual centralization of grain fields in the hands of those who are skilled in farming them, and expansion of the scale of farming, and an increase in peasants' income. Nowadays, the growing of grain does not pay as well as the growing of cash crops, and the growing of cash crops pays less than working in industrial sideline occupations or doing business. Overly low earnings from the growing of grain is the main reason for decline in peasant enthusiasm for growing grain. Proper expansion of the scale of farming by peasant households and the launching of multiple uses of resources can increase peasant earnings. A survey done in Sichuan Province shows a net income of 107 yuan per mu of paddy farmed, and a single worker is able to farm only 2 or 3 mu of land. Were a single worker able to farm 6 or 7 mu of land, earnings would be approximately 700 yuan and this would not be low at the present time.

7. Good performance in food processing, development of the livestock feed industry and increasing grain consumption. The diet of people in cities and the countryside of China is in process of going from having enough to eat to eating well. Accompanying these changes in diet is a gradual increase in the proportion of fine rice and fine wheat processed foods in the diet. This means greater consumption of grain and can also mean a reduction in time spent on household chores. Active development of the livestock feed industry will help improve hog varieties, lower fodder waste and increase economic benefits from raising hogs. In addition, it will better satisfy the consumption needs of city and country residents alike and bring about a greater and better transformation of grain.

8. Genuine strengthening of leadership of grain production. Any relaxation of leadership of grain work is wrong. Leaders at all levels should place the grain issue on their important daily agendas and take a regular interest in it. They should also diligently organize rural cadres for re-study and appreciation of the spirit of Central Committee Document No 1 and associated policies, provide a clear understanding of the important significance of contract procurement on readjustment of the structure of rural industry and promotion of coordinated development of the rural commodity economy, putting into effect grain contract procurement quotas.

To summarize, on the grain issue there is no need for worry, first of all, and preparations have been made, second of all. For the next several months, market activity will have to be watched closely, changes in diet this year and the possible extent of changes in grain will have to be surveyed and understood. Data will have to be provided for future readjustment of pertinent policies. In addition, study will have to be devoted to the establishment of a system for the regulation of grain production in order to avoid major rises and falls in grain production, to give impetus to making regional crop patterns more rational, and to realize steady growth of grain production.

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NATIONAL

PRC DRAFTS NEW LAW TO COMBAT WATER SHORTAGES

HK170800 Beijing CHINA DAILY in English 17 Apr 86 p 1

[Article by staff reporter Wu Jingshu]

[Text] China is taking steps to solve its critical water shortage by drafting a State Water Law to regulate overall consumption and by launching an urgent conservation drive.

In Beijing, the mayor has called upon every citizen "to do his or her best" in the drive up to the next rain season. Most of the capital's rain falls in late summer.

The water shortage in Beijing has worsened this year, and the city's two main reservoirs in Miyun and Guanting now hold a total of only 1.33 billion cubic meters of water--just 20 percent of their capacity.

Facing daily consumption of 1.5 to 1.6 million tons, the city expects to be short of 200,000 to 300,000 tons daily this summer, Vice Mayor Zhang Baifa told an emergency conference yesterday.

The city government has drawn up an urgent conservation program to restrict industrial and agricultural consumption of piped or ground water in the capital, while urging residents to cut domestic consumption, Zhang told the conference presided over by Mayor Chen Xitong, six other vice mayors and Chu Chuanheng, Vice Minister of Urban and Rural Construction and Environmental Protection.

Beijing municipality has also announced it will allow the water company to raise the price for industrial users according to the nature of their business and their consumption in excess of supply quotas. But Beijing is not the worst-hit place in the North China Plain. "Water shortage has reached a critical stage that demands immediate attention," said Lu Jingkai, an official in charge of hydro-geology at the Ministry of Geology and Mineral Resources.

The severest shortage is in southern Hebei's Zhangzhou area, called a "bottomless pit" by Lu, where water is now only found more than 80 meters below ground, compared with a three-meter under ground water table 30 years ago.

"Most cities in North China and the coastal provinces now face similar problems, because they did not give enough thought to their limited water resources in mapping out urban development plans" Lu told CHIHA DAILY.

While other cities may still have the potential to develop their own water supply sources, three cities--Tianjin, Qingdao and Qinghuangdao--will have to depend mainly on water from other areas via canals, if they continue to develop in the years to come, Lu said.

The water Tianjin now gets from the Luan River Canal, completed two years ago, is "barely enough" to meet current needs, while 'Qingdao may have to develop more reservoirs besides drawing from the Yellow River project under construction, according to Lu. However, the most vital step is to cut unnecessary water consumption and regulate supply scientifically, said Lu. For this purpose China is drafting a new State Water Law, said Lu.

According to the draft law, urban planning should be based on each city's water resources, while industrial development should be restricted in water-short areas. In the cities, "water supply should first satisfy residential needs" while top-grade ground or underground water sources "should be reserved for drinking purposes."

The draft law also requires the recycling of industrial water and regulated irrigation networks for farmland. "In some developed countries such as Japan, industrial water is recycled as many as three times, while most of our factories just let thousands of tons of their cooling water go down the drain, Lu said.

"And our farms are irrigated with open trenches, where two thirds of the water is lost before reaching farmland. We would need only one third of the water if pipelines were used," Lu added.

According to a nationwide survey of water resources now nearly completed, China has an annual average of about 800 billion tons of water available. "The key to the problem is to conserve every ton of precious water and use it to the best effect--for on this depends the success of this country's modernization program," said Lu.

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NATIONAL

QUESTIONS ON RURAL ECONOMIC POLICY DISCUSSED

Beijing BANYUE TAN [SEMI-MONTHLY TALKS] in Chinese No 4, 25 Feb 86 pp 30-32

[Article by BANYUE TAN editorial staff, under the rubric "Assorted Policy Answers": "Questions and Answers on Rural Economic Policy"]

[Text] Question: What new provisions are there in 1986 rural economic policy?

Answer: The central authorities have drafted a complete set of rural work policies, many of which are of a strategic and long-term nature. Some tasks cannot be accomplished in a year or two. This year we must implement all existing policies in a down-to-earth fashion. At the same time, we must further improve and flesh out policies and make the most of them in order to bring about conditions for continued reform and to develop the fruits of reform. In 1986 we must further improve and flesh out policies as in the following eight examples: 1) We must improve grain allocation and transfer policies; 2) We must implement policies for industrial subsidies to agriculture; 3) We must make suitable adjustments in the amount of assigned procurement in grain contracts; 4) We must guide sound expansion in township enterprises; 5) We must further improve the assigned procurement system for farm and sideline products; 6) We must make suitable price adjustments for specific products; 7) We must enhance land management; 8) We must establish public finance in the countryside.

Question: How will we improve our policy on grain allocation and transfer?

Answer: We will consult the actual levels of grain allocation and transfer for the past few years, and for each province we will work out the quantities of grain to be transferred in or out and the methods of public funding for subsidies. When importing provinces reduce the quantity of grain transferred in, the publicly financed subsidies saved can be set aside to make up for shortfalls in output and to support expansion in grain production. We must make suitable increases in the price of grain allocation and transfer, and the increased portion should be borne by importing provinces. We should put negotiated pricing into effect on any portion that exceeds planned allocation and transfer. Hereafter, grain increases needed in each province to offset population increases and for economic development must be resolved by those

provinces themselves. They can produce more grain themselves or they can consult with other provinces and arrange to buy more grain.

Question: What are the advantages of adopting this kind of policy on grain allocation and transfer?

Answer: There are several advantages to this method, primarily the following: 1) It helps China progressively achieve a pattern of grain output and demand focussed on regional balance, thus reducing the need to make large-scale grain allocations and transfers across the nation; 2) It helps to stabilize growth in gross national grain output at a base level of about 8 billion jin, preventing major surges and slumps; 3) It helps us to rationally regulate the economic benefits between grain exporting and grain importing provinces, bringing the strengths of each into play; 4) It helps each province to arrange grain production and adjust industrial composition in a planned fashion, arrive at a good grasp of the situation, and do what it is capable of doing.

Question: How will we implement industrial subsidization of agriculture?

Answer: Industry subsidizes agriculture in many ways. For example, the state can suitably increase its investment in capital construction on farmland; it can improve agricultural production conditions and develop basic facilities for the commodity economy; for imported or domestically produced materials used in agricultural production it can give certain subsidies or tax-exemption considerations, as well as all sorts of favorable credit; and so forth. The central authorities and the various concerned departments under the State Council have already studied or are in the process of studying the adoption of some specific measures in these areas. Right now we should be particularly concerned about and work to resolve support for suitable regulation of economic benefits between those engaged in industry and those engaged in agriculture. This is true for cultivation and breeding trades (mainly those involved with grain and swine), as well as for suburban vegetable production on the outskirts of medium and large cities. We must do a particularly good job of regulating benefits between industry and agriculture in those regions where the economy is relatively well developed and where township enterprises have grown fairly rapidly.

Question: Why must we carry out a policy of industrial subsidies to agriculture?

Answer: Right now there is a rather large difference between income from grain cultivation and income from operating industrial sidelines or commerce. Nevertheless, we cannot raise grain prices to a level which would balance incomes from these endeavors. To stabilize and develop agricultural production, especially grain production, on a macroeconomic management level we must pledge a certain amount of grain growing area and advocate a suitable scale of operation. In addition to this we must adopt measures to safeguard farmers' enthusiasm for grain cultivation. Implementing industrial subsidization of agriculture is one major policy to handle properly the relationships between economic interests; it is also one of our long-term policies.

Question: Where will the funds for industrial subsidization of agriculture in the countryside come from?

Answer: For the most part we will rely on townships and villages to deduct a portion of the income from enterprises operating there and adopt various means of supporting and encouraging cultivation and breeding trades. Simultaneously, the state has decided to extract part of the tax increase on township enterprises and use it to support agriculture. Income from taxes on bonuses awarded to township enterprises is returned to county coffers and used to support agricultural production and rural social insurance enterprises. Local areas should also set aside some additional funds for agriculture from cash surpluses in local finances.

Question: Why must we reduce the amount of assigned procurement in grain contracts, and what is the principle for doing so?

Answer: In 1986 we will make suitable reductions in the amount of assigned procurement in grain contracts nationwide, and we will enlarge the proportion of grain purchased on the market through negotiated pricing. This will be done in order to safeguard and encourage enthusiasm among farmers for producing and selling grain. The reduction principle is as follows: In regions where the commodity economy is well developed and there are many options in a diversified economy, we must stabilize the assigned procurement responsibilities in grain contracts and, through policies of industrial subsidization of agriculture, guarantee that grain production and assigned procurement missions will be accomplished. In regions where there is a potential for growth in grain production but there are not many options in the diversified economy, including new commodity grain regions and some established commodity grain regions, we must reduce the contracted assigned procurement responsibilities and expand market purchasing through price negotiations. This will allow farmers to increase their receipts from overproduction. In regions where land is plentiful and the percentage of marketable grain product is high, the contracted assigned procurement responsibilities will not be reduced. In the very few impoverished regions, we can sign few or no assigned procurement grain contracts and primarily adopt market procurement methods. For farming households and agricultural production units that sign assigned procurement contracts, we should implement policies to encourage chemical fertilizer sales at parity and priority offerings of agricultural credit.

Question: In 1986 suitable price adjustments will be made for specific products. Which products will be affected?

Answer: Significant steps at price reform were already taken in 1985, and we have adopted a policy of basic price stability in 1986. Given that we maintain a state of no basic fluctuation in overall price levels, there will be some upward and some downward adjustments in the prices of specific agricultural products. We will implement the principle of high prices for high quality and open the door to suitable quality price differences. Appropriate increases in soybean procurement prices will be made primarily in concentrated production areas. In general there will be no fluctuation in the

market price of materials used for agricultural production, except that there will be suitable reductions in the selling price of chemical fertilizer.

Question: Why must we establish public finance at the primary village level?

Answer: We must establish public finance in the countryside, centralize the handling of primary village-level revenues and expenditures, and carry out investigations and supervision through village people's representative assemblies. This will play a major positive role in the following areas: the proper acquisition of income and rational disposition of expenditures, using most of the income to support agricultural production; the enhancement of efforts to build rural political power at the grassroots level; the control of unhealthy tendencies; and the prevention of corruption and waste.

12510

CSO: 4007/320

NATIONAL

RURAL CREDIT COOPERATIVES INCREASE

Beijing NONGMIN RIBAO in Chinese 15 Nov 85 p 1

[Article by Su Beihai [5685 0554 3189]: "There Are Now 420,000 Rural Credit Cooperatives Throughout China; Strengthening Popular Nature, Promoting Responsibility System, Increasing Organizational Network, Developing Credit Cooperatives"]

[Text] The reform of all of China's rural credit cooperatives has been highly effective; through October 1985, as a result of the hard work of almost 700,000 credit cooperative employees and managers, total deposits in China's rural credit cooperatives have reached 66.88 billion yuan, cumulative loans are 52.45 billion yuan; these figures, compared with pre-reform 1982 figures, show increases of 170, 380, and 860 percent, respectively.

This information was given on 13 March 1986 by Wang Jingshi [3769 2529 1597], deputy director of the Agricultural Bank, at the All-China Rural Credit Cooperative Work Conference at Kunming.

Since 1983, rural credit societies in all parts of China have been seriously implementing CPC Central Committee and national government directives, carrying out restructuring from fine details to broad changes, from superficial to deep modifications. At present, over 80 percent have been restructured. After being restructured, favorable changes have taken place in four aspects of the work: 1) Restoration and strengthening of the popular, democratic, and flexible nature of credit cooperatives, thus producing a closer relationship between credit cooperatives and rural masses. For several years, every locality has been seriously putting its capital stock in order. Ninety percent of the members' shares were confirmed, and in most parts of the country, members were also issued stock bonuses; the number of shares was increased and new cooperative members were accepted. Upon this foundation, cooperative member conferences were held all over, voting for regulatory and supervisory meetings, building sound democratic control systems and strengthening control and supervision by the masses. 2) Gradually expanding the economic responsibility system, mobilizing positive aspects of personnel and managers. After increasing activity and strengthening control, credit cooperative profit levels have continued to increase in the whole country. Especially after implementing the system of liability contracts and reducing shares of liability responsibility, the amount of credit cooperative losses

has been decreasing from year to year. 3) Adjusting organization and expanding network points. In order to adapt to the needs of rural commodity production and the development of a multitiered economy after restructuring, in the whole country 3,000 new credit organizations have been added as well as 27,000 network points. At present, the country has a total of more than 420,000 credit organizations. 4) Building credit cooperatives. County-level associations have strengthened their aid and regulation of credit cooperative work. Since 1983, more than 85 percent of the counties in China have established county-level associations; under the leadership of the Agricultural Bank, they have exerted a positive influence.

After restructuring, credit cooperatives have not only exerted an ever greater influence on the organization and utilization of agricultural capital, on maintenance of agricultural reform and development of agricultural productivity, but also have made positive contributions to the national control of the amount of credit available and to the availability of currency. Through the end of October, China's credit cooperatives have redeposited 29.78 billion yuan in bank accounts, an increase of 4.26 billion yuan, or 16.7 percent, over the same period last year.

9990/6091

CSO: 4007/162

NATIONAL

FISHERY OFFICIAL DISCUSSES AQUATIC PRODUCTS, FISH SUPPLY

OW140905 Beijing Domestic Service in Mandarin 0630 GMT 13 Apr 86

[Talk by (Tu Fengjun), director of Aquatic Products Bureau of the Ministry of Agriculture, Animal Husbandry, and Fishery: "A talk about our country's aquatic products industry and the principles and policies for solving the fish supply problem"; date and place not given--recorded]

[Excerpts] When the words aquatic products are mentioned, people are probably not very familiar with them; but when we talk about the fish supply problem, then everyone shows concern. Today, taking advantage of the opportunity provided by the Central People's Broadcasting Station, I would like to give a simple introduction to our country's aquatic products development situation and to some ideological aspects of our efforts in striving to solve the fish supply problem in large and medium-sized cities within 3 to 5 years.

In the more than 30 years since our country's founding, our country's aquatic products industry has developed tremendously. In 1949, the country's total output of aquatic products was only 450,000 metric tons; in 1985, it topped 7 million metric tons. In the early period after liberation, almost none of our fishing boats engaged in ocean fishing industry were equipped with motors; now, there are over 100,000 power-driven fishing boats with a total of over 5 million horsepower. The operation grounds of these boats have also been greatly expanded, expanding gradually from the coastal areas to the nearby and outer seas. Last year, we began to have our own ocean fishing fleet. The freshwater and marine fish raising area now exceeds 60 million mu, or more than 10 times that in the early period after liberation, with output rating first in the world.

However, mistakes in production policies and guiding ideology that have existed for a long time have affected the speed of production development and brought about many serious consequences. As far as the internal structure of aquatic production is concerned, tendencies of stressing catching while ignoring fresh water, and stressing quantity while ignoring quality have long existed among us. As a result of indiscriminately intensifying fish catching by every means, economic fish resources in nearby seas have been seriously damaged.

Aquatic products fall in the category of commodities which are in very short supply on the market. Because of its exceedingly large population, it is truly

not an easy thing to solve our country's fish supply problem. At the same time, it is not enough to just rely on the aquatic products departments to maintain and develop the excellent situation in aquatic products industry development. It is necessary for all departments concerned to make joint efforts to create a new situation in this industry.

/12232

CSO: 4007/363

NATIONAL

FISHERY INDUSTRY PLANS INCREASE IN OUTPUT BY 1990

HK120656 Beijing CHINA DAILY in English 12 Apr 86 p 1

[By staff reporter Guo Zhongshi]

[Text] Fishing industry leaders are planning to increase the country's total fish and seafood harvest from 1985's 6.97 million tons to 9 million tons by 1990.

They say the goal of an annual 400,000-ton increase over the next 5 years should not be too difficult to achieve as the call to expand fish farming has already been met with enthusiasm across the country.

"We can certainly put more fish on the dinner tables of urban residents in 5 year's time," said She Danu, deputy director of the Bureau of Aquatic Products under the Ministry of Agriculture, Animal Husbandry and Fishery.

By 1990 when the country's total population is expected to have reached 1.1 billion people, She Danu said, each Chinese could have more than 8 kilograms of fish a year, compared with about 6 last year. The present fluctuations in urban fish supplies should be smoothed out.

"Our seafood output could sound much higher by international standards," he said, explaining that China excluded marine products like seaweed from its output statistics and weighed only the flesh of shellfish, while most other countries lumped them all into their total aquatic output figures.

She said the industry was also pushing simultaneous progress in farming, catching and processing with more flexible policies and a market-regulated pricing system.

He said a major breakthrough was expected in marine fish farming that would increase the catch at a rate of 11.4 percent a year to a total 1.2 million tons in 1990.

The total output value of marine farm products was expected to reach 1.2 billion yuan (about 400 million), double the present amount, and exports were planned to top 700,000 tons earning \$300 million in foreign exchange, he said.

According to the industry's draft plan for the next 5 years, farms breeding shrimp and other valuable seafood are to be given priority in order to raise their output from the present 9.3 percent of marine farms' total production to 21 percent.

The country will devote as many as 33,000 hectares to prawn breeding farms which are expected to turn out 100,000 tons annually, according to Xiao Peng, vice-minister of agriculture, animal husbandry and fishery.

Xiao said major export bases would be established in coastal cities, to breed seafood so that gradually prawns, crab and eel would become the three "first" products for export.

Besides upgrading the processing industry, the 176 coastal counties should aim to produce 10,000 tons of seafood a year by 1990 and cities 100,000 tons, Xiao said.

/12232

CSO: 4020/277

NATIONAL

STATISTICS ON STATE FARM PROCUREMENT, SALES

Beijing ZHONGGUO NONKEN [STATE FARMS AND LAND RECLAMATION] in Chinese No 11,
24 Nov 85 p 28

[Table: "1985 Statistical Table of China's State Farm Products, Sales, and
Procurement"]

[Text]

[Table on following page]

Monetary unit: 10,000 yuan

Unit	Total Procurement, Sales		Procurement		Sales		Important Commodities	
	Share	Money Amt	Share	Money	Share	Money	Purchases	Sales
Total	960	10050.3	347	3186.2	613	6864.1	Grain, oil, local special-ties, medicine	Grain, oil, local special-ties, light textiles
Beijing	6	9			6	9		Wine, local specialties
Tianjin	18	109.4	8	53.2	10	56.2	Nonstaple foods	Milk products, poultry-raising equipment
Hebei	17	151.1	1	0.8	16	150.3	Canned goods	Steel, asphalt roofing
Shanxi	24	310	13	194.3	11	115.7	Livestock, local special-ties	Grain, non-staple foods
Nei Monggol	23	330	3	10	20	320	Clothing	Shoes, furs, corn
Liaoning	55	380	30	170	25	210	Oranges, feeds, tea	Nuts, grain, watermelon seeds
Jilin	25	40.5	20	20.5	5	20	Nonstaple foods	Grain, light textiles
Heilongjiang	30	676.6	8	30	22	346.6	Clothing, carpets	Soybeans, soy-bean cakes, watermelon seeds
Shanghai	30	112			30	112		Livestock, light textiles, clothing
Jiangsu	46	873.2	6	469	40	404.2	Grain, Chinese herbal medicine	Grain, local specialties, light textiles

Unit	Total Procurement, Sales		Procurement		Sales		Important Commodities	
	Share	Money Amt	Share	Money	Share	Money	Purchases	Sales
Zhejiang	22	159	10	49	12	110	Nonstaple foods	Grain, light textiles
Anhui	27	249.4			27	249.4		Grain, local specialties, feeds
Fujian	45	300.1	30	251.1	15	49	Rice, peanut oil	Local specialties
Jiangxi	80	354.7	10	36.7	70	318	Grain, oil	Nonstaple foods, local specialties
Shandong	30	370	5	20	25	350	Refined sugar, oranges	Corn, sorghum, nuts
Henan	51	490	6	10	45	480	Clothing	Corn, sesame, canned goods
Hubei	34	430	18	250	16	180	Nonstaple foods, clothing	Nonstaple foods
Hunan	60	584.5	30	250	30	344.5	Sunflower seeds, light textiles	Nonstaple foods, local specialties
Guangdong	20	818	6	180	14	638	Beans, cooking oil, watermelon seeds	Sugar, wine, livestock, fruit
Guangxi	2	13			2	13		Nonstaple foods
Sichuan	61	583.5	21	123.5	40	460	Light textiles	Nonstaple foods, medicines
Chongqing	21	1203.7	6	314	15	889.7	Nonstaple foods, milk products	Nonstaple foods, fruit

Unit	Total Procurement, Sales			Procurement		Sales		Important Commodities	
	Share	Money Amt		Share	Money	Share	Money	Purchases	Sales
Guizhou	16	115		4	35	12	80	Sorghum, corn	Wine, local specialties
Yunnan	20	155		5	30	15	125	Light textiles	Nonstaple foods
Shaanxi	18	20		16	19.6	2	0.4	Clothing, fruit	Bedsheets
Gansu	3	10.6		1	3	2	7.6	Nonstaple foods	Local specialties
Qinghai	18	67				18	67		Light textiles
Ningxia	28	47		21	40	7	7	Nonstaple foods, live-stock	Nuts, medicine
Xinjiang	33	410		4	50	29	360	Local produce, nonstaple foods	Watermelon seeds, medicine
Jiading County, Shanghai	10	35		6	20	4	15	Refined sugar, peanuts	Light textiles
Kunming	1	7.5				1	7.5		Nonstaple foods
Guangzhou	10	400		5	150	5	250	Nonstaple foods	Livestock
Nanjing	3	3.5				3	3.5		Nonstaple foods, light textiles
Nanning	3	10				3	10		Canned goods
Wuhan	12	70		4	30	8	40	Light textiles, local produce	Nonstaple foods, local specialties
Shenzhen Corp.	2	56.5		2	56.5			Gingerroot, lotus	
Shanghai Corp.	56	385.5		48	320	8	65.5	Grain	Light textiles, clothing, live-stock

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CSO: 4007/162

NATIONAL

BRIEFS

RAPESEED OUTPUT, SALES--This year the total national production of rapeseed is estimated at 10 billion jin, an increase of 2.2 billion jin over last year. Production of rapeseed in Sichuan is estimated at 2.5 billion jin, which is 650 million higher than last year's production. Planned procurement of rapeseed is 2 billion jin, 600 million over last year's procurement level. During the last 2 years, state sales of cooking oils have been exceeding purchases, and stockpiles have been reduced to maintain a balance. Through March of this year, national stocks have just been sufficient for 8 months. In 1985, Sichuan Province fixed-price and negotiated-price sales amount to approximately 500 million jin and the central government needs to ship 300 million jin. There is still a shortfall of 100 million jin in order to reach a balance of purchases and sales. Recently, a leading Central Committee comrade has given these instructions regarding next year's procurement of rapeseed: "Reverse the 4:6 ratio in calculating prices, open up procurement, do not set any ceilings." He predicts that there will not be any problem whatsoever in selling rapeseed next year and that the volume of cooking sales may tend to increase even more. [Text] [Beijing NONGMIN RIBAO in Chinese 31 Oct 85 p 2] 9990/9190

INCREASED CANNED GOODS SALES--According to reports from the Food Bureau of the Commercial Department, during the past several years, sales of canned goods in China have been steadily increasing. This year, the rate of increase has been especially great. Statistics for all of China show that state-run commercial enterprise sales of all kinds of canned goods amounted to 11.36 million cases in 1984, an increase of 20 percent from the preceding year. In January through May of this year, 7.5 million cases of canned goods were sold, an increase of 65 percent over the same period last year. Of these, sales of canned fruit amounted to 4.59 million cases, an increase of 50 percent. Sales of canned goods in the provinces of Hunan, Hebei, Hubei, and Heilongjiang increased 50 to 80 percent. Sales in Zhejiang, Beijing, Tianjin, and Ningxia doubled or even tripled. Sales of canned goods in the second half of this year are also projected to continue increasing. Since people bought a little extra before prices of secondary food products deregulated in the first half of the year, we will have to reduce our estimates to make up for this factor. The amount of sales in the first half of the year is estimated at 9 million cases just to keep up stocks. Estimated sales for the whole year are approximately 16 million cases, an increase of 40 percent over last year. [Text] [Beijing NONGMIN RIBAO in Chinese 31 Oct 85 p 2] 9990/9190

TEA PRODUCTION--In 1985, China produced 8.8 million dan of tea, and the volume of profit and tax handed over to the state by tea plantations totaled some 90 million yuan. Over 2.7 million dan of tea was exported in that year, earning a revenue of U.S.\$280 million in foreign exchange. This was a record high. [Summary] [Beijing Domestic Service in Mandarin 1200 GMT 1 Apr 86 OW] /12232

CONTROL ON IMPORTED SUGAR--Beijing, 14 Apr (XINHUA)--The State Council general office announced that from now on, no other Chinese company except the Commerce Ministry is allowed to handle sales of sugar imported according to the state plans. Localities and departments must obtain licenses for importing sugar with their own foreign exchange. Unlicensed imports will be confiscated and importers will be punished, the office said. [Text] [Beijing XINHUA in English 1504 GMT 14 Apr 86 OW] /9738

SUGAR PRODUCTION TO INCREASE--An official of China's sugar and wine corporation said today that China would reduce sugar imports if it can produce five million tons of sugar in 1986, compared with the 4.82 million tons produced in 1985. By that time, each Chinese will consume 5,000 grams of sugar each year on average, compared with the 3,000 grams in 1984, he said. [Text] [Beijing XINHUA in English 1504 GMT 14 Apr 86 OW] /9738

COMPUTERS' BOOST TO AGRICULTURE--Wuhan, 3 April (XINHUA)--China has begun experimenting with the use of computers to determine planting strategies. Planners, using a broad range of data to project results of different cultivation plans, will use computers in 43 counties this year, officials from the Ministry of Agriculture, Animal Husbandry and Fishery said today. At a conference this week on computer-assisted agricultural planning here, the officials agreed to continue to experiment with methods first tried in Miangyang County, Hubei Province. Using the computer projections, the officials said, the county was able to double its economic returns in 1984. If the project proves successful in the 43 counties this year, they said, the computer projection system will be used throughout China in the future. [Text] [Beijing XINHUA in English 1059 GMT 3 Apr 86 OW] /12232

CSO: 4020/277

GANSU

DEVELOPMENT PLANS TO FIT POTENTIAL OF DIFFERENT REGIONS

Beijing NONGMIN RIBAO in Chinese 25 Jan 86 p 1

[Article by reporter Qiu Jing [8002 7231]: "Start From Practice and Set the Direction of Development by the Different Kinds of Districts; Gansu Indices Guide Development of Farm Village Economies; Average Net Income for Farmers in 1985 Increased 27 Yuan Over the First Year"]

[Text] With the Gansu party committee and government firmly supporting setting out from practice and fixing the direction of development according to the different kinds of districts to promote farm village production structure adjustment and farm village economic development, and with the entire province's grain field area down slightly and some area's suffering serious disaster in 1985, total grain production still approached that of 1984, reaching 10.5 billion jin. Gross rural enterprise production value was 1.5 billion yuan, an increase of nearly 100 percent over 1984. GVAO was 4.2 billion, a 7.7-percent increase over 1984. Average farmer net income increased 37 yuan over 1984.

Gansu is divided into the four major sections of Longdong, Longnan, Hexi, and Zhongbu. Differences between the regions are quite big. Led by principle leading cadres, in early 1985 the provincial party committee and government visited these major districts one after the other. An in-depth investigation was launched. It was concluded that the basic ways to economic development were the whole series of cultivating, raising, and processing, energetically developing rural enterprises and city collective economies, developing horizontal links between the city and countryside, and liberalizing and developing, and adding value through processing. At the same time, and starting from the different natural and economic conditions of different places, the guiding principles for the economic development of the four macroregions are to be further perfected. Based on Longdong's coal, oil, paulownia, beef cattle, meat rabbits, and other favorable circumstances for development of commodity production, settle on the guiding principles of insisting on planting grass and trees, developing animal husbandry, and using rural enterprises as the core to lead in productive development by diversified enterprises and tertiary industries. The Longnan region has the favorable circumstances of forests and fruits, medicinal ingredients, small-scale hydroelectricity, and so forth to determine the guiding principle of taking rural enterprises as the point of breakthrough, prospering through

industry, and diversifying operations. The Hehsi region has the cash crops of stable and high-yield grains and rich mining resources to determine the guiding principle of speeding up the development of resources, taking rural enterprises as the gap to be broken through, the development of primary, secondary, and tertiary industries, and be the first in the whole province to prosper. The hard-pressed Zhungbu region also has favorable economic development conditions in surplus labor, large tracts of cultivable land, rich natural resources for building materials, a suitable scale of construction, and proximity to the central city of Lanzhou, which offers the ways of development of fostering the central city's function, promoting integration, speeding up resource development, energetically developing rural enterprises, the city's collectivized economies, and tertiary industries, and industry and agriculture mutually assisting one another, countryside and city interpenetrating, and developing together. These guiding principles powerfully promote the economic development of the whole province.

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CSO: 4007/280

GUANGXI

GUANGXI HEMP PRODUCTION BEGINS TO RECOVER FROM SLUMP

Beijing NONGMIN RIBAO in Chinese 16 Nov 85 p 2

[Article by Huang Zheng [7806 2110]: "Sales of Guangxi Hemp Start To Recover from Stagnation"]

[Text] Since 1982, sales outlets for hemp on domestic markets have been poor, and in the whole country sales have stagnated and prices have fallen. The price for a ton of Grade 1 hemp fell from 2,000 to 2,200 yuan in the 1960's to 1,650 yuan. In Guangxi, many hemp-processing or hemp-trading units had their warehouses full without sales outlets for several years and were forced to stop purchasing. Many state farms specializing in hemp had no other choice but to switch to some other form of economic activity.

During the second half of last year, sales of hemp started to improve. At the Nanning City commercial trade fair in mid-October, Guangxi sold 5,000 dan of hemp to other areas, breaking the 2-year long slump in which no hemp was traded at the fair. In mid-April of this year, at the 1985 Zhengzhou National Wholesale Trade Fair, the Shangsi County produce company managed to get several years' accumulation of hemp (amounting to tens of tons) off its hands all at once. At the 1985 Zhengzhou National Local Produce Trade Fair in late September, hemp was easy to sell; in fact, sales were brisk. The actual situation is that the demand for Guangxi hemp in other areas has been steadily increasing, and prices have started to rise again. Recently, the price of Grade 1 hemp was increased from 1,650 yuan to 2,056 yuan per ton; Grade 2 hemp has increased from 1,450 yuan to 1,887 yuan per ton; and Grade 3 hemp has increased from 1,250 to 1,684 yuan. Judging from sales tendencies, these prices will probably continue to increase until they return to 1960's levels.

The principal causes of this change in the market for hemp are the following:

Starting last year, exports of ramie and jute products have been increasing wildly, causing domestic stocks of the "two fibers" to become depleted and also causing price increases. Many products which originally were made only from the "two fibers" have decreased in their proportion of these fibers in order to maintain production. A motley assortment of substitute fibers is being used to produce sofas, mattresses, sports pads, etc. So now after several years of accumulating hemp stocks, units concerned have been actively investigating ways to make use of this hemp in order to effect a sizeable increase in the demand for hemp.

GUIZHOU

FAVORABLE CHANGES IN GUIZHOU TIMBER MARKET

Beijing ZHONGGUO XIANGZHEN QIYE BAO in Chinese 20 Nov 85 p 2

[Article by Liu Cheng [0491 6134]: "Favorable Changes Occur in Guizhou Timber Market"]

[Text] This year, after restrictions were removed on the management of the southern collective forest district, favorable changes have occurred in the Guizhou timber market.

First, stocks have increased, easing an earlier tight supply-demand situation. After removing management restrictions on timber, sales and purchase agreements have been made, solving several long-standing problems with timber prices and encouraging development of productivity. This year's planned timber production for Guizhou has been completely fulfilled, with many varieties, sound quality and sufficient stocks. At present the amount of timber available for sale in the province is 310,000 cubic meters.

Second, timber prices are stable with a tendency to decrease. This year, when Guizhou timber prices are compared with last year's national figures, pine has risen 80 percent and fir has risen 100 to 200 percent. However, when compared with last year's independent peasant prices, pine has decreased 20 percent and fir has decreased 30 percent.

Third, timber has changed from a sellers' market to a buyers' market. In the past, timber was purchased and sold by the state; units would have purchase orders in but would often not obtain the timber or would just get whatever was available at the time; this was absolutely a sellers' market. This year not only can lumber-using units or individuals buy lumber whenever they need it but they can also select the kind or quality that best suits their needs.

Fourth, restrictions on trade between provinces, regions, and counties have been removed. Guizhou is a timber-producing province. In the past, timber could be shipped out but could not be shipped in; one-half of the year's planned timber production was used in the province and the other half was shipped to Hubei. This year, 210,000 cubic meters of timber have been sold to Sichuan, Shandong, Jiangsu, Shanghai, Guangdong, and Hubei.

Fifth, demand by users of special lumber and precious woods have been better satisfied. Previously, timber could not be priced according to quality level, and Guizhou's wood for models and for sculpture was difficult to control. This year, the province has produced over 3,000 cubic meters of specialized woods and precious woods, which have basically satisfied the users' requirements.

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CSO: 4007/173

HEILONGJIANG

HEILONGJIANG REDUCES PEASANTS' FINANCIAL BURDENS

Beijing NONGMIN RIBAO in Chinese 4 Nov 85 p 1

[Article by Li Fulai [2621 4395 0171]: "Heilongjiang Provincial Organizations Examine Themselves and Reduce Burdens of Peasants; 26 Bureaus Reform Systematic Discrepancies With CPC Central Committee Policies in Financial Apportionment"]

[Text] Heilongjiang Province, after examining excess burdens of peasants, has discovered that many expenses have been imposed by regulations, rules, and documents from higher level bureaus. Of these, impositions from provincial or higher level bureaus make up 56.7 percent of the increased burdens; burdens imposed by local, county, and the township levels make up 43.3 percent of the revenues collected from the peasants. Therefore, at this time Heilongjiang Province's 26 bureaus which are imposing burdens on peasants are seriously examining ways to reform the system of unreasonable regulations and are investigating improper apportionment of funds, improper financial penalties and improper expense charges, all of which are against CPC Central Committee and governmental policies and directives.

Not long ago, Provincial Governor Hou Jie [0186 2212] listened to the peasants' outcry and reactions to misapportionment, improper charges and imposition of excessive burdens by these bureaus and organized a provincial commission to carry out a careful and thorough investigation. This commission discovered that the bureaus involved increased peasants' burdens by issuing 23 kinds of official licenses, certificates, trademarks, and registers. It made a thorough check of such requirements as the agricultural machinery bureau's "tractor license" and the industrial and commercial bureau's "permit for planting, breeding, or for specialized household enterprises." From now on, all licenses must be approved by the price bureau and the finance bureau; moreover, only the basic cost of services can be charged. Licenses and certificates which were made up to extort money or which are no longer useful should all be eliminated. As regards making use of financial and technical services offered by farmers, forced sharing and collection, because the judicial department has established that each township or village's public order and contract personnel are all to be paid by the peasants, the resolution of this matter is a matter of self-determination of the masses and will be decided democratically. In the past, the transportation bureau would charge a fee the moment it saw that a peasant's transport

vehicle was on the road, not distinguishing whether it was used for a productive service or was used to run a transport business. This time it has established that whenever the district or township government proves that the peasant was transporting materials necessary for production, then he will not have to pay the road tax. In addition, the procedure fee for cattle sales negotiation and the transaction fee required by the industry and commerce bureau and the epidemic-prevention fee required by the health bureau will all be collected on the basis of standard and reasonable costs. The illicit activities of imposing arbitrary financial penalties and confiscation of peasants' property have been seriously investigated; it has been established that from now on if there are no public announcements and published printed documents by county level or higher governmental entities, no section is allowed to penalize or confiscate peasants' money or property. Sections which have kept for themselves government subsidy payments intended for farmers shall return all of them. At the same time, the party committee and the government must ask all levels of government below province level and every section involved to make a thorough investigation of unreasonable burdens imposed on peasants.

9990/6091

CSO: 4007/162

HENAN

REVISIONS IN RURAL CREDIT POLICY URGED

Zhengzhou HENAN RIBAO in Chinese 28 Feb 86 p 2

[Editorial by Xu Jiafu [6079 1367 1381], vice president of Henan Agricultural Bank, under the rubric "Discussions of Rural Reform": "Readjust Credit Policy and Stimulate Rural Banking"]

[Text] In 1986 rural reform will enter a new phase. In line with the demands of the central authorities that we enhance and improve macroeconomic control, in Henan the rural finance task will focus on acting in the spirit of Central Circular No 1. We must readjust our credit policy, vigorously promote thorough comprehension of funding, make good use of limited funds, and promote sustained, stable, coordinated growth in the rural economy.

Specifically, in planning the direction and quantity of investment for rural credit funds, we must ensure that rational funding requirements for grain production will be given first priority. We must stress support to strengthen wheat-growing counties and other commodity grain base counties, we must back expanded production in specialized grain-farming households, and we must give credit support to contracting farm households. Newly increased 1986 agricultural credit must also be used primarily to back farmers as they adopt advanced science and technology, improve agricultural production conditions, and increase grain quality and per-unit yield. Credit cooperative funds must above all guarantee that funding requirements for agricultural production are met. Only surplus funds may be granted for industrial and commercial credit. We must firmly correct the practices in some credit cooperatives of amassing funds for use as industrial and commercial credit and using credit to "build up rich and influential households." Given the guarantee of a stable grain increase, we must support assorted forestry, animal husbandry, and fishery trades and also make suitable increases in their credit ratio. To back growth in the diversified economy we must not only bring regional advantages to bear, we must also take care to match them up with market demands and avoid indiscriminate action.

As for township and town enterprises, we must handle them based on differences in region, trade, and function, and select outstanding ones to support. We must make suitable allowances for credit in less advanced areas, and we can relax credit restrictions as appropriate for those industries that should be encouraged. Township and town enterprise credit, which has been newly

increased in 1986, should be used primarily to back up the need for normal circulating funds in existing enterprises. The focus of support should be based on agriculture, on processing industries for farm and sideline products and other preproduction and postproduction agricultural service industries, and on small-scale mining and construction-material industries. We must strictly control credit for production equipment and put an emphasis on finding ways to implement "half" [banlazi 0584 2139 1311] projects and the "spark plan," wherein project time limits are short, investment is small, results are rapidly evident, and benefits are good. Generally speaking, economically advanced areas should back no further new construction projects. In regions where economic conditions are less satisfactory, we can back new construction projects as appropriate where there are conditions, controls, and objectives for doing so. We must amass some funds to focus on supporting local markets that have basic resources, but that urgently need well-known, high-quality products and goods to bring in foreign exchange.

Rural commercial credit work will receive specific attention and be particularly intensified. We will support cooperative rural commerce based on supply and marketing cooperatives; develop horizontal economic connections; arrange processing, storage, transport, and marketing for farm produce; develop diversified economic services; and popularize agricultural science and technology. In this effort, we must give priority to ensuring supplies of funds to purchase contracted farm and sideline products. We must give prominence to arranging loans for chemical fertilizers, pesticides and other agricultural production materials. Simultaneous with our support of existing circulation channels and our expansion of rural commodity circulation, we must everywhere coordinate with the departments concerned to support new types of experimental commercial enterprises featuring transregional and interdepartmental industrial and commercial integration, agricultural and commercial integration, or agricultural-industrial-commercial integration. We must offer our support to open up and extend the sphere of circulation. Given the guarantee of repayment, we must work through pilot projects to form a plan and a focal point for backing infrastructural construction in rural collective trade centers and primary supply and marketing cooperatives. As for failing enterprises, we must exercise tight credit and urge them to turn losses into profits.

It is our unshirkable duty in rural credit work to give enthusiastic support to impoverished regions and households so that they can develop commodity production, cast off poverty and enrich themselves, and change their overall appearance. We must stand by disaster regions so that they can help themselves by engaging in production. We should combine aid to the poor with disaster relief. Agricultural credit was newly offered to 21 impoverished counties in 1986 (including the Laosu region). Of those, there are six disaster zones and cities wherein self-help production credit should be combined with local development loans, bank funds, and credit cooperative funds, and rational arrangements should be made for their different uses. Special credit should be focussed on key production projects to help change the face of impoverished regions. Loans to disaster regions must both resolve the difficulties facing those regions and also support certain projects that can be profitable only in the long term.

The agricultural banking system must accomplish these tasks, though the difficulties are quite significant. The major problem is that there is a prominent contradiction and a major gap between supply and demand for rural credit funds. The basic route to resolving the contradiction between funding supply and demand is to work hard to organize savings deposits and tap the potential of existing funds. First we must energetically expand the source of funds, struggle to attract more deposits, and extend more more credit. Second, we must stimulate precipitate funding, accelerate fund turnover, and take overall stock of credit fund resources. In order to stimulate local enthusiasm for accepting credit, recalled precipitate loans will continue to be reserved for local use, credit cooperatives and departments concerned that help to collect on debts from old agricultural loans made prior to the end of 1978 will receive a 0.5 percent commission, and 30 percent of recalled farm loans can be used for local development projects. Satisfactory accomplishment of these tasks will play a significant role in mitigating the contradiction between the supply and the demand for rural funding in Henan.

12510

CSO: 4007/320

HENAN

HENAN INCREASES AQUATIC OUTPUT

Beijing NONGMIN RIBAO in Chinese 29 Oct 85 p 1

[Article by He Shuiju [0149 3055 1446]: "Deregulation Policy Mobilizes Positive Aspects of Agriculture, Livestock, and Fisheries; Henan Aquatic Output for First Half of Year Was over 40 Percent Higher Than Same Period Last Year"]

[Text] All levels of Henan Province party and governmental sections have been seriously implementing the CPC Central Committee's directive "On Deregulating Policies, Accelerating Development of Aquatic Production" and the state of aquatic production is encouraging. During the first half of this year, total aquatic output amounted to 30,421 tons, 48.2 percent higher than output for the same period last year.

This year, farmers all over Henan have been actively developing aquatic output at a previously unheard-of rate, cultivated fields are being changed into fish-breeding areas and everywhere one can see fish-breeding ponds being dug in unused land. Following the development of aquatic production, total production of fish fry and fingerlings, fish sales and the total area of rice paddies used for breeding fish have all increased appreciably. During the first half of the year, total production of small fry in the whole province exceeded 2.1 billion in number, an increase of 83 percent over the same period last year. The number of these raised to fingerlings amounted to 1.15 billion, 44.5 percent over the number in the same period last year. During the first half of the year, the area of rice paddies used for raising fish increased to 168,000 mu, three times higher than last year at that time.

In order to satisfy pressing mass demands for fishery technology, during the first half of last year, over 15,000 personnel were trained in fish breeding in Henan Province. Just in Xinyang Prefecture alone, over 100,000 copies of fishery technique books and materials were distributed and were welcomed by the masses. At the same time the books and technology were being issued, instruction was being emphasized. On the foundation of the basic aquatic production study groups started last year, this year two large specialized aquatic production groups and one advanced study group were started in order to improve the masses' level of fishery techniques and output.

Every district has also been paying attention to market reports and has been adjusting the fishery product mix. Based on market requirements, many production units are now increasing the proportion of such high-quality fish appreciated by the masses as grass carp, golden carp, and bream. After introducing Niluo Luofei [1441 5012 7236] fish, hybrid fish and other fine varieties, they have also introduced leather-beard catfish and other quality species in order to stimulate the development of aquatic production.

9990/1910

CSO: 4007/167

HENAN

FARM MACHINE MARKET BOOM TO CONTINUE

Beijing ZHONGGUO NONGJIHUA BAO in Chinese 26 Jan 86 p 3

[Article by Guo Qinghua [6753 1987 5478]: "According to a Survey Forecast of Farm Machine Markets in 18 Provinces, the Farm Machine Market in Henan Will Keep Booming This Year"]

[Text] There was an unprecedented boom in Henan Province's farm machine market last year, with sales exceeding 700 million yuan. What is the outlook for this year? According to the most recent forecast from survey data, the Henan farm machinery market for this year will keep booming.

The bases for this are:

1. Farm village purchasing power will continue to rise. According to what a provincewide agricultural household sample survey reveals, per capita income for farm villages might reach 330 yuan, a 9.6-percent increase over last year. At the same time, high-income households will increase in number and low-income households decrease. There are 3,247,000,000 yuan in farm village commune member saving deposits, a 437-million-yuan increase over early last year. Potential buying power is great. In credit, the nation still will take a supportive policy for agricultural production. The Central Committee stressed many times that seizing agriculture, grain, and diversified economies will certainly increase the buying power for production material in farm villages. Recommendations in the seventh 5-Year Plan point out that it is necessary to appropriately increase the county's agricultural investments, and use the investments principally in building irrigation works, strengthening agricultural field construction, and increasing the supply of farm implements.
2. All areas need to continue this year to repair agricultural fields and irrigation works and facilities. This will benefit irrigation and drainage machinery sales.
3. Indiscriminate levying of fees and imposing fines will be redressed, and the apprehensions of farmers eliminated.
4. Potential demand is great. The quantity of farm machinery currently possessed by the province has yet to reach capacity. Some old machines need replacement. Potential demand is quite large because of this.

5. Supplies for this year are assured. Last year, there were serious insufficiencies in some product supplies which influenced sales increases. Supplies are sufficient for this year. For example, there are 805 million yuan in orders for Shanghai 50 tractors, small four-wheelers, and so on, a 23-percent increase. Basically, supplies are assured.

On the basis of the above-mentioned beneficial factors, it can be forecast that the 1986 Henan Province farm tool market will remain prosperous.

13152/13046

CSO: 4007/280

HEBEI

INTERVIEW ON NEW WATER CONSERVATION REGULATIONS

Shijiazhuang HEBEI RIBAO in Chinese 20 Jan 86 p 2

[Interview with Director Zhang Ziming [1728 1331 2494] of the Provincial Water Conservation Department: "Manage Water Resources According to the Law; Provincial Water Conservation Department Director Zhang Ziming Responds to a Reporter's Questions About Putting 'Water Conservation Regulations for Hebei Province' into Practice;" date and place not given]

[Text] After the standing committee of the Provincial people's congress issued "Water Conservation Regulations for Hebei Province," Director Zhang Ziming of the provincial water conservation department spoke as follows to a reporter for this newspaper on how to implement the "Regulations":

[Question] Please talk about the significance of issuing "Water Conservation Regulations for Hebei Province" for strengthening the significance of the province's water resource management work.

[Answer] Water is an indispensable material base for industrial and agricultural production and for the people's livelihood. It is national wealth, like land, mining, and forests. The province is arid and lacks water, and the amount of water used in industry and agriculture is increasing rapidly. According to statistics, current industrial water use has increased 40-fold and farm water use 6-fold from that at the establishment of the PRC. The province's water shortage in most years is more than 8 billion cubic meters. According to the demand that industrial and agricultural output value be quadrupled, it is estimated that by the end of this century the province will have a water shortage of 10.5 billion cubic meters. Due to the lack of water, contradictions between industry and agriculture, and between different regions, are intensifying daily. On the one hand, the province lacks water, and, on the other hand, the phenomenon of wasting and polluting water is also very serious. According to relevant department estimates, 1.5 billion tons of water polluted by industrial or human waste is dumped into the water, creating a polluted water system. People's health and lives are seriously threatened. The serious overdraw of underground water has lowered the water table and led to encroachment of seawater. The consequences of this are dreadful. With the above conditions, there is a compelling need for water resource regulations to serve as a legal basis for provincial water use and management and to enable the legal rights and interests of water use

and management departments to be legally guaranteed. The standing committee of the 6th plenary of the provincial people's congress passed at its 17th session "Water Conservation Regulations for Hebei Province." Drafted according to the constitution and the country's relevant water resource policies and regulations, it meshes with the province's concrete situation, and is the first local water resource regulation for the province since the establishment of the PRC. With it, provincial water management will have laws to rely on and follow. In sum, the issuing of these "Regulations" was extremely necessary.

[Question] Water conservation departments are for the comprehensive management of water resources. How will the water conservation departments implement these "Regulations"?

[Answer] Water conservation departments are for the comprehensive management of water resources. This is stipulated by the State Council. When drafting the "Regulations," the province, following the spirit of the State Council decision, made water conservation departments serve as the departments for the comprehensive management of water resources. So-called comprehensive management refers to unified management and providing good-quality service in water management work for the whole society and for the whole national economy. To complete this task, this requires that our water conservation departments closely cooperate with relevant departments. It requires first that our water conservation department comrades conscientiously study the relevant national laws and regulations, study the "Regulations," energetically overcome department limitations, take the interests of the whole as the point of departure, raise awareness of the comprehensive use, rational development, and societywide economic interests of water resources, give good service to all departments for the national economy and people's livelihood, and at the same time require the staff of our water management departments to closely, and on their own initiative, cooperate with relevant departments, open-mindedly listen to and conscientiously study all the problems and suggestions which they suggest, patiently talk things over, closely cooperate, and rely on government leadership at all levels and the support of all departments.

[Question] What are the current points of emphasis to be seized in strengthening water resource management?

[Answer] The points of emphasis in water resource management are to realize the comprehensive development and utilization of water resources and the unified allocation and management of water resources. Practically speaking, I think we should as quickly as possible get a handle on the following affairs:

1. Establish and perfect at all levels as quickly as possible a comprehensive management structure for water resource management.
2. In order to insure the implementation of the "Regulations," it must be drawn up in detail and have a whole series of management methods.
3. The significance and substance of the "Regulations" are to be energetically disseminated.

4. Ruthlessly seize the work of saving water and preserving water resources.

[Question] Why must water fees be levied in agricultural irrigation, and what is the standard for judging and setting water fees?

[Answer] Water supplied for agricultural irrigation comes from irrigation works, and, especially for large- and medium-scale irrigation works, the nation must invest large quantities of manpower, material, and money to construct irrigation works for water retention and transportation. Once the projects are completed, their maintenance and management require the yearly expenditure of large amounts of operating funds. Irrigation water is a product materialized through labor, is full of use value and economic value, and its provision should be managed according to economic laws. The "Water Works Water Fee Methods for Pricing, Collection, and Management" promulgated by the State Council 22 July 1985 stipulates that all water conservation works practice rewards for providing water and that industry, agriculture, and all other water users should pay water fees to water works management units according to the regulations. By implementing fees for supplying water and having users buy water with money, attention will be paid to economy, water conservation project management units will have an income, and it will be possible to ensure that project management is active, repairs made, and renovation performed, the highly efficient use of water resources promoted, and that there will gradually appear a felicitous recycling of water conservation funds. All of this benefits the nation and masses.

With regard to the standards for judging and setting water fees, it is clearly stipulated for all kinds of uses of water in a special section concerning water fee methods which the State Council promulgated that the general principle is for agricultural water fees to be judged and set according to costs for providing water, and agricultural and city livelihood water fees are to be for the cost of providing water plus an appropriate profit. Ninety percent of all the water provided in the province is used in agriculture, but payments are taken for water used in agriculture only according to costs. Increases in agricultural production still supplies the portion from which most farmer income is derived. Viewed in the long term, rewards for supplying water and maintaining water conservation project's normal production circles are also in the farmers' interest. Otherwise, since water conservation projects would be short of funds, it would be difficult for project management to be active, major repairs made, and renovations performed. It would be impossible to guarantee agricultural irrigation water resources. In the end, the farmer would still be the one to lose.

13152/13046
CSO: 4007/280

HEBEI

BRIEFS

HEBEI COTTON EXPORTS--Hebei Province opened up a new situation in cotton exports this year. By 20 March, it had signed contracts with eight countries, including Britain, the United States, Japan and Italy, on exporting 44,800 tons of cotton, amounting to 89.6 percent of the province's annual cotton export plan.

[Excerpt] [Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 26 Mar 86 SK] /12232

CSO: 4007/363

JILIN

JILIN REPORT ON ECONOMIC, SOCIAL DEVELOPMENT PLAN

SK092250 Changchun JILIN RIBAO in Chinese 23 Mar 86 p 2

[Report on "Jilin Provincial 1986 Plan for National Economic and Social Development (draft)" given by Li Decheng, director of the Jilin Provincial Planning and Economic Commission, at the Fourth Session of the Sixth Jilin Provincial People's Congress on 9 March]

[Excerpts] Fellow deputies:

Entrusted by the provincial people's government, I will now submit to this session a report on the fulfillment of the Jilin provincial 1985 plan for national economic and social development and on the arrangements for the 1986 plan for your examination and discussion.

1. The Fulfillment of the 1985 Plan

The year 1985 was the last year for implementing the Sixth 5-Year Plan. With the guidance of the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, the people of various nationalities throughout the province united as one, and worked hard. The "Report on the Jilin Provincial 1985 Draft Plan for National Economic and Social Development" discussed and approved at the Third Session of the Sixth Provincial People's Congress was fulfilled better than expected, and new progress was achieved in the national economy and other various social undertakings. The gross industrial and agricultural output value of the province reached 30.2 billion yuan, a 9-percent increase over 1984; the revenue was 2.167 billion yuan, a 22-percent increase over 1984 in terms of comparable standards; and the national income was 16.97 billion yuan, an 8.8-percent increase over 1984.

A new situation emerged in which production and circulation were mutually promotive, growth rate and economic results increased simultaneously, development of production linked closely with improvement of the people's living standards, and the relations among the major sectors of the national economy became more balanced. The economy of our province is marching toward the road on which the growth rate is fairly realistic, economic results are better, and the people can gain more real benefit.

We conquered serious natural disasters, and wrested a fairly good harvest in agriculture. Last year while continuing to improve the output-related contract responsibility system, the rural areas carried out the second step of the reform, further readjusted the production setup, and held large-scale discussions on ways of becoming better off, thus sparking the peasants' enthusiasm for developing commodity production. Under the leadership of CPC committees and government at all levels, and with the great support of the PLA, the people throughout the province went all out in the work, and conquered the serious natural disasters.

The agricultural harvest was better than expected. The total grain output of the province was 12.25 million tons, the third highest since the founding of the country. The province procured and purchased through negotiations 4.5 million tons of grain, which was also a fairly high figure. In grain production, we increased paddyfields by 570,000 mu, and made the total paddyrice output reach 1.837 million tons while maintaining a stable growth in corn. Soybean fields increased by 1.22 million mu, and its output reached 904,000 tons. Fairly good harvests were also reaped in cash crops, such as beets, oil-bearing crops, and flue-cured tobacco. The output of oil-bearing seeds was 484,000 tons, that of flue-cured tobacco 15,000 tons, that of beets 877,000 tons, and that of ginseng 5,167 tons. The output value of cash crops registered a 10.5-percent growth over the previous year, and they still provided a fairly great amount of raw materials for industrial production in a year of serious disasters.

Animal husbandry showed great improvement. Last year the animal husbandry output value reached 1.26 billion yuan, up 36.2 percent from the previous year, and its proportion in the total agricultural output value rose from 10.4 percent in the previous year to [words illegible]. The price decontrol of hogs changed the situation in which the number of hogs in stock had declined for 4 years in succession. The year-end number of hogs in stock reached 4.97 million, 20.6 percent over the previous year; that of draft animals was 2.946 million, a 5.4 percent increase. The output of pork, beef, and mutton was 299,000 tons, an increase of 14.1 percent; the number of poultry went up to 49.35 million, an increase of 31.5 percent; the output of eggs was 172,000 tons, an increase of 9.2 percent; and that of aquatic products was 29,600 tons, an increase of 38.3 percent.

In the development of township enterprises, a new situation emerged in which townships, villages, household groups, individual households, and other cooperative associations competed with one another in establishing the enterprises. Both the output value, and the profit and taxes of the enterprises showed substantial increases. According to statistics of comparable items, their output value reached 3.92 billion yuan, up 22 percent from the previous year. Despite the fact that the grain output of the province declined by more than 3 million tons from the actual figure of the previous year, its agricultural output value reached 8.68 billion yuan (including the output value created by the industrial enterprises at and below the village level), showing a decline of merely 3 percent from the previous year.

Through wide activities to provide for ourselves by production, we achieved greater development in the diversified economy, repaired the works damaged by floods very quickly, and thus created favorable conditions for restoring agricultural production to a level prior to the disasters.

2. The Tasks and Major Targets of the 1986 Plan

This year is the first year for implementing the Seventh 5-Year Plan, and it is very important to successfully work out this year's plan. Based on the central authorities' proposal for the Seventh 5-Year Plan, and the work tasks defined by the provincial CPC committee and government for this year, the focal points as arranged in the 1986 plan for national economic and social development are: to achieve a greater success in the key construction projects of energy, postal and telecommunications, and raw material industries, and step up the technical transformation of the existing enterprises; to greatly develop the production of readily marketable commodities, increase market supplies, and maintain a basic stability in commodity prices; to intensify the development of intellectual resources so as to train more talented people and upgrade science and technology; to expand foreign economic and technological exchanges, and raise the level of foreign exchange earning through exports; and to strive to improve the people's living standards on the basis of developed production.

The major targets of the plan are: to make the gross industrial and agricultural output value reach 32.47 billion yuan, a 7.5 percent increase over last year; to restore agricultural production to a level prior to the disaster, making the grain output reach 15 million tons, and the agricultural output value increase by 6 percent; to achieve a sustained, stable, and coordinated development in agriculture, and to increase the industrial output value by 8 percent while arranging for production in line with a 10-percent increase target; and to make the national income reach 18.24 billion yuan, a 7.5-percent increase over last year. Specific tasks and major targets of various plans are arranged as follows:

Restore Grain Production to a Level Prior to the Disasters, and Achieve Great Development in Animal Husbandry and Township Enterprises.

This year it is necessary to further readjust rural production setup, accelerate forestry, animal husbandry, sideline production, fisheries, and diverse undertakings in line with local conditions and on the premise of stepping up grain production, and spur the rural economy to develop toward specialization, commercialization, and modernization.

In grain production, we should continue to give play to the advantage of corn, actively develop paddyrice production, and properly increase soybean areas. The planned grain output will be 15 million tons, 2.75 million tons more than last year. The planned corn acreage will be 26 million mu, 810,000 mu more than last year; and its output will reach 10 million tons, an increase of 2.07 million tons. Paddyfields will reach 5.55 million mu, 700,000 mu over last year (including vinyl-covered areas and areas for upland rice); and the output will be 2.25 million tons, an increase of 400,000 tons. Soybean acreage will

be 8 million mu, 850,000 mu more than last year; and its output will reach one million tons, 100,000 tons more than last year. Grain purchasing contracts should be improved continuously, and a series of policies encouraging grain production should be adopted to further arouse the peasants' enthusiasm for grain production.

We should strive to improve agricultural production conditions, popularize the advanced technologies of resisting low temperatures and accelerating ripening, and step up the farmland improvement projects focusing on preventing waterlogging. We should collect funds from various sources, do a good job in the supply of the means of production, and increase investment in grain production to ensure a steady growth.

It is necessary to vigorously develop cash crops. Under the plan, the output of beets should reach 1.2 million tons, up 36.8 percent over the previous year; that of flue-cured tobacco 18,000 tons, up 20 percent; and that of oil-bearing seeds 625,000 tons, up 29.1 percent. Beets, sunflower seeds, flue-cured tobacco, and red sun-cured tobacco should be cultivated and purchased in line with contracts in order to meet the needs of markets and industrial production.

The diversified economy with an emphasis in animal husbandry should be vigorously developed. We should fully display our province's favorable conditions of plentiful grain and ample animal feed resources, and prominently grasp the production of hogs, cattle, sheep and poultry. Under the plan, the number of hogs slaughtered should reach 3.5 million, an increase of 8.5 percent over last year; the number of cattle in stock should reach 1.85 million, an increase of 5.2 percent; the number of sheep in stock should reach 1.9 million, an increase of 6.2 percent; the output of pork, beef, and mutton should reach 305,000 tons; and egg output should reach 175,000 tons. It is necessary to fully use the existing water areas for developing fisheries. We should give priority to developing fish farming using purse seine and precision pond fisheries and to supporting areas with favorable conditions to carry out large-scale fish farming undertakings. Under the plan, the fish output should reach 30,000 tons. In forestry, we should implement the policy of using forest resources to support forestry, combine tree felling with planting, pay attention to building forests, and continue to build forest shelterbelts in northwest, north, and northeast China. It is planned that the afforestation area should reach 3 million mu. It is necessary to vigorously develop the production of native products with a focus on ginseng. Under the plan, ginseng output should reach 5,500 tons.

In township enterprises, we should implement the policy of "actively supporting them, making rational plans for them, giving them correct guidance, and strengthening management," focus the work on agriculture with an emphasis in the development of such service trades as processing, storage, packing, and transporting farm products. Areas where conditions permit should develop mining and the building materials industry. Under the plan, the output value of these two sectors should show an increase of 27.6 percent respectively over last year. Vigorous support should be given to township enterprises in terms of technology, competent personnel, funds and material resources.

JILIN

PRICES DEREGULATED ON NON-EXPORT TIMBER

Beijing ZHONGGUO XIANGZHEN QIYE BAO in Chinese 20 Nov 85 p 2

[Article from FORESTRY NEWS: "Jilin Province Deregulates Prices of Nondesignated Timber"]

[Text] At the Jilin Province economic planning committee conference on 1 August 1985, the Financial Bureau, Price Bureau, Materials Bureau and Forestry Bureau recently made a joint announcement that they will deregulate the prices of all nondesignated timber (meaning timber not used for export, shipment out of the province, and timber used by the enterprise that produces it) and will institute bilateral buyer-seller negotiation of prices. The basic method is as follows:

1. Nondesignated timber will be deregulated and prices will be determined by supply and demand and by bilateral negotiation. Designated timber and nondesignated timber will be sold separately and will be accounted for separately. Mixing of accounts will not be permitted.
2. The timber-selling sections must base their prices for nondesignated timber on the principle of reasonable expenses, according to pricing methods established by the province, considering type, quality, and diameter before setting a price and offering the goods for sale.
3. The cutting of timber should be within the limits of the amount established by the plan. The plan for felling timber should be established only after careful examination by the forestry bureau.
4. After deregulation of nondesignated timber, the profits earned by forestry sections should be used principally for replacing lower-value forests, fomenting reforestation, and developing rapid-growing and productive forests as well as projects to improve general profitability and to develop more varieties of timber products. Use of these funds for other purposes will not be permitted.

9990/9190
CSO: 4007/173

JILIN

AGRICULTURAL TAX REDUCED BECAUSE OF DISASTERS

Beijing NONGMIN RIBAO in Chinese 30 Oct 85 p 1

[Article by Song Xunfeng [1345 6676 7364]: "Jilin Province Readjusts Agricultural Taxation: Small Decreases for Those With Light Damage, Large Decreases for Those With Heavy Damage, Exemption for Especially Heavy Damage"]

[Text] This year, Jilin Province has suffered unusually severe natural disasters. This has not only caused serious harm to agricultural production, but also has caused several new conditions and problems in the apportionment of agricultural yields. Faced with actual disaster conditions in the whole province, the provincial government has made several adjustments in its agricultural profit apportionment policy in order to safeguard and mobilize the positive aspects of expanded agricultural development and production of commercial goods.

In its post-readjustment agricultural profit apportionment policy, the Jilin provincial CPC and provincial government have established the following rules:

Collection of agricultural taxes shall be based on the principle of small decreases for minor damage, large decreases for heavy damage, and complete exemption for especially heavy damage, calculating levies by household, examining damages, and reducing evasion. All grain storehouses and grain bureaus which purchase grain shall carefully check quality and weight, deducting in a fair and equitable manner, insisting on treatment in accordance with each household's production; without the farmer's agreement, not allowing collection by proxy or reciprocal collection of funds. For heavy damages, the amount of reduction shall be greater; in places where it is difficult to fulfill contract requirements, the contractual overall spending for public affairs and capital construction shall be decreased, and this year's shortfall should be deferred to the following year. Depending on the extent of damage, payments to the reserve fund may be decreased or omitted; payments to public welfare funds or investment funds may also be decreased or omitted. Remuneration levels for cadres and other personnel in affected areas shall be decreased in accordance with the reductions in receipts in those areas. In heavily affected areas, profits submitted to township, village, and local enterprises may be used to meet overall planning requirements for funds in those areas; furthermore, some can be paid from investment accounts of public welfare funds or from support given by county or township financial bureaus.

After readjustment of contracts, in principle they should be fulfilled this year; peasants who really are unable to fulfill them may sign new contracts which can be fulfilled over an extended period of time. As for extra-contractual apportionments, peasants have the right to refuse to pay. Where the disasters were most severe, a part will be satisfied by a short-term loan; for those with no production or very little production, the loan payments will be deferred. Because the disasters have created shortages in food grains and in animal feed, these shortages will be resolved by shipments from national storehouses. All sections concerned should give preferential treatment for Jilin Province's capital, material, and technical needs.

9990/6091

CSO: 4007/162

SHAANXI

AGRICULTURE THRIVING IN SHAANXI PROVINCE

Xi'an SHAANXI RIBAO in Chinese 6 Nov 85 p 3

[Article: "The Agricultural Front Is Thriving"]

[Text] For the past several years, our nation's grain production has been increasing considerably. The average grain production per person is 400 kg, which is close to the world average.

In 1984, the total value of our province's rural cooperatives was 61 percent greater than the 1978 figures (calculated in constant yuan), which shows an average yearly increase of 8.3 percent. The total agricultural production of these cooperatives increased by 44 percent or an average of 6.3 percent per year. During the 29 years from 1949 through 1978, the average yearly increase was only 3.9 percent.

This year, in spite of severe natural disasters in the summer and fall seasons, the total grain production amounted to 18.1 billion jin, which is the third best year ever for our province.

The state of Shaanxi's livestock production is also favorable. In the first half of this year, stocks of hogs exceeded 6.7 million head, an increase of 5.4 percent over the same period last year, and lean pork production increased especially quickly. Through the end of June, the total production of meat in Shaanxi was more than 230 million jin, an increase of 16.4 percent over the same period last year.

The commodity rate of agricultural goods in Shaanxi has also been steadily increasing. The total value of purchases of secondary food products by cooperatives increased from 1.35 billion yuan in 1978 to 2.96 billion yuan, an increase of 120 percent, or 13.8 percent per year. The commodity rate increased from 34 to 40 percent.

There has been a change in the relative value of production in the areas of agriculture, forestry, animal husbandry, secondary food products, and fisheries in our province. The proportion of rural production from planted fields decreased from 77.3 percent in 1978 to 69 percent in 1984 while the proportion of forestry, livestock, secondary food, and fish production increased from 22.7 to 31 percent. In 1984, individually managed production

amounted to 3.02 billion yuan or 40 percent of total agricultural production, which is an increase of 52.7 percent over the 1980 level of 1,977,000,000 yuan.

In 1984, the number of agriculture-specialized households increased to 271,000, which is 4.98 percent of the total number of rural households. Besides, there have been established 1,884 specialized villages and over 10,000 farms connected with new economic zones. Total receipts of these three kinds of rural enterprises have reached 1.3 billion yuan.

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SHAANXI

SALES FORECAST FOR AGRICULTURAL USE VEHICLES

Beijing ZHONGGUO NONGJIHUA BAO in Chinese 26 Jan 86 p 3

[Article by Qin Xin [4440 0207]: "Sales Forecast for This Year's Shaanxi Agricultural-Use-Trailer Sales"]

[Text] According to Shaanxi farm machinery information network reports, the 1985 sales forecast for farm-use trailers was for over 8,000, down 25 percent from last year. It included more than 400 twin-axle trailers, an increase of more than 100 percent. There were more than 8,000 single-axle trailers, a drop of about 26 percent. Sales for last year's fourth quarter market improved somewhat. According to changes in the tractor market, this year's farm-use trailer sales look good.

1. The nation's farm machinery commodity orders will rise. Small tractors will increase 129,434 units over 1985, a 21.6-percent increase. It includes a 54.2-percent increase in small four-wheel tractors, and a 13.6-percent increase in hand-held tractors. If contracted orders are all realized, farm-use trailer sales will increase accordingly.

2. The Baoji Vehicle Factory is a focal factory for production of farm-use vehicles in Shaanxi Province. Last year's factory output was 1,000 vehicles, but supply did not meet demand. It is forecast that production conditions for this year will be even better.

3. The Xi'an Farm Machine Factory, Xi'an Diesel Machine Factory, and Xi'an Tractor Factory are Shaanxi Province's major factories for the production of small four-wheel tractors. Last September, having passed licensing inspection by the Machine Industry Bureau and Agriculture, Animal Husbandry, and Fisheries Bureau, quality met first-class standards. Farm-use trailers are a matching product for four-wheel tractors, and the quantity of trailers needed will increase along with the development of tractor production.

According to analysis of the above situation, Shaanxi Province's sales situation for farm-use trailers looks good for this year. Sales will be slightly higher than 1985 levels, with about a 10-percent rate of increase, and predicted total sales of over 9,000 vehicles.

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SHAANXI

BRIEFS

GRAIN PRICES RISING--According to NONGJIA XINSHI BAO [PEASANT MESSENGER], the general situation in the province's grain markets is one of considerable shortage of supply and rising prices since the beginning of spring. The prices of major grains such as rice, wheat, sorghum, soybeans, and maize show considerable increases compared with this time last year. Grain prices are still rising in many places. The price of wheat in Fengxiang County has now risen to 0.6 yuan per jin. [Text] [Xian Shaanxi Provincial Service in Mandarin 0200 GMT 31 Mar 86] /9871

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SHANGHAI

SHORTAGE OF SOYBEANS IN SHANGHAI AREA

Beijing NONGMIN RIBAO in Chinese 9 Nov 85 p 2

[Article: "Shortages and Price Increases in Shanghai Economic Area Soybean Market"]

[Text] During the last several years, because of rapid development of national soybean production, the supply has been sufficient for demand, causing the total area devoted to the cultivation of soybeans to decrease recently and resulting in declines in procurement. Furthermore, as a result of increases in this year's exports of soybeans from China and an increased number of newly developed food items made from soybeans on the domestic market, market demand has been increasing and soybean supplies have started to tighten up. Now, because the supply of soybeans in several Jiangsu Province cities in the Shanghai economic zone have started to show a decline to one-half their planned level in June, supplies of soybean products are extremely tight. At the same time, shipments of soybeans from Shandong, Henan, Anhui, and other provinces to the Shanghai area have declined noticeably. The reason is that supplies are low; from January to June 1985, Shanghai food product wholesalers negotiated the purchase of only 4,195 dan, a decrease of 30 percent from the same period last year. At present, because the amount of soybeans allocated by plan to the Shanghai market has decreased sharply and both purchases and sales have declined, supplies of soybeans at many retail grain stores have been completely depleted.

Because of tight soybean supplies, numerous units in the Jiangsu, Jiangxi, Zhejiang provinces, Shanghai City, and other provinces and cities of the Shanghai economic area have proposed and developed new procurement and sales plans for soybeans and have even competed with each other to purchase stocks; demand for supplies has become quite intense. To give one example, the Jiangxi provincial grain and oil trading company, in order to secure supplies, once even ordered 3,000 tons of soybeans from the Heilongjiang provincial sales section, paying in advance for later delivery. Because of the tightness of soybean supplies, market prices have also started to rise. For example, 3-month future prices of mixed soybeans in the Shanghai area are now 0.32 to 0.33 yuan per jin; 5-month future prices have risen to 0.33 to 0.345 yuan; 7-month futures have risen further to 0.35 to 0.36 yuan. In order to obtain supplies early, some units have raised the price for new purchases to as high as 0.375 yuan per jin.

SICHUAN

INCREASED EXPORTS OF LIVESTOCK PRODUCTS

Chengdu SICHUAN RIBAO in Chinese 2 Nov 85 p 1

[Article prepared by provincial livestock products export-import company: "Another Solid Result of Implementing the Open Door Policy; Sichuan Livestock Products Sold on Three Continents; Our Province's Livestock Product Exports and Foreign Exchange Earnings Increase"]

[Text] Following the party's open door policy and its policy on revitalizing the domestic economy, the development of Sichuan's livestock, housebird, and housepet enterprises has been favorable and has supplied a large quantity of livestock products for export. The variety of exports has increased considerably, the value of exports has risen steadily, and foreign exchange earnings have gone up.

At present, livestock product exports from Sichuan include pig bristle, pork-sausage casings, goatskins, feathers, rabbit fur, pigskin, and feed-stuffs. Industrially processed export goods include leather shoes, sheepskin and pigskin clothing, down-stuffed clothing, and pig-bristle brushes. Several of these products were exported for the very first time this year. By now, the provincial livestock products export-import company has established trade relationships with all kinds of customers from over 20 countries and areas in Europe, Asia, North America, and the Middle East, including Hong Kong, Macao, the United Kingdom, France, The FRG, Italy, Sweden, Norway, the Netherlands, the United States, Japan, etc. Exports for the first 9 months of this year have increased 44 percent from last year's levels.

Several varieties of Sichuan's livestock product exports have already acquired special qualities of their own which are highly appreciated by foreign buyers. One of these is the Sichuan gray duck down produced in our province; its down feathers are large and its color and luster are excellent; it is only produced as an export item and is more suitable for export than similar domestic products are. Our province's leather working gloves, due to an emphasis on quality of workmanship and prompt deliveries, have also established a good reputation with customers. The pork-sausage casings, because of their fine export quality, already have a number of customers who make special trips to Sichuan to buy them and who are even asking for increased supplies. Some have even asked to become sole agents.

Leather garments are a new export item this year; because of their fine-quality workmanship and high level of fashion, they are well received by customers in West Germany.

While it is developing direct objects, the provincial livestock products export-import company has been introducing advanced technology and machinery in order to satisfy the international marketplace's standards for high-quality, attractive export goods. In recent years, the provincial livestock products export-import company industrial sections have introduced partial mechanization for leather goods and down goods manufacture, have imported raw materials and secondary materials necessary for productivity and have discussed and signed a partial technical cooperation agreement.

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SICHUAN

MORE HOUSING BEING BUILT FOR SICHUAN PEASANTS

Chengdu SICHUAN RIBAO in Chinese 1 Nov 85 p 2

[Article by Wang Zihé [3769 1311 0735]: "Homes for a Million Peasant Households Built; Demand for Building Materials Is High and Supply Is Low"]

[Text] In recent years, the Sichuan rural economy has been developing rapidly and peasants' incomes have been continually increasing. More peasants are improving their housing conditions and the demand for building materials has risen considerably. According to adjusted official statistics for 1984, 945,000 rural houses were constructed, housing 4.6 percent of the total rural population and representing an investment of 1.6 billion yuan. Total area of the houses built was 57.23 million square meters, 9.7 percent higher than the year before. Total expenditures for building materials for these houses increased 37.8 percent over 1983 levels.

So far this year, construction of rural buildings continues to increase, but the rate of increase has declined, quality has improved, and the construction of buildings for productive purposes has increased more rapidly than the construction of residences. From relevant material and representative adjusted estimates, total construction of buildings in the province will be around 980,000 units, covering a total surface area of 60 million square meters, an increase of 5 percent over last year, but not increasing as rapidly as the 1984 increase of 9.7 percent. Among newly constructed buildings, those built of brick and wood make up 45 percent of the total; those of earth and wood, 30 percent; and those of concrete, 25 percent. Because of changes in the makeup of rural production involving increased numbers working in industry, commerce, food and drink services, and transportation, the number of buildings constructed for production and administrative work has increased considerably this year. They will increase to 14 million square meters, 12 percent higher than last year, and they will occupy a proportion of the total building surface which is increasing from 22 percent last year to 23.3 percent this year. Newly built living quarters will increase to 46 million square meters, an increase of only 3 percent over last year, and the proportion of building space used for living quarters will decrease to 76.7 percent. The following reasons have been given for the lower rate of increase in rural construction this year: controls have been established on use of land, the state has indicated that any plans for using land must receive the

approval of governmental levels above the county level, and strict restrictions have been set on misappropriation of cultivated land; banks and credit cooperatives have stopped issuing building loans; some building materials are in tight supply and supply-demand deficits are great.

Rural construction requires large quantities of building materials. In Sichuan, just the sales and distribution of building materials amounted to a value of 41.13 million yuan, 150 percent greater than the sales for the preceding year. Even this could not satisfy market requirements and there was an especially great discrepancy in the supply and demand of important materials. Based on predictions, Sichuan rural construction will require 43,000 tons of steel, 270,000 cubic meters of lumber, 500,000 cases of glass and 700,000 tons of concrete. However, planned available supplies are only 7,000 tons of steel, 20,000 cases of glass and 10,000 tons of concrete. Supply-demand discrepancies are tremendous, so bidding for building materials in short supply on the market is quite brisk. Supplies of other hardware items, such as nails, galvanized wire, bolts, door-knobs, and window handles, are also not sufficient for demand. Because of faster rural production of these materials in recent years, common bricks, tiles, and cement are basically sufficient for the demands of rural construction.

Currently, not only is there demand for a large quantity of building materials in rural areas, but also demands for quality materials have increased. Ceramic tiles, mosaic tiles, and other high-grade building materials have been selling at an ever-increasing rate; besides, some light assembled materials are more and more in demand. As a result, while the units involved are organizing building material production, on the one hand, they must accelerate the rate of development in order to continue to increase market supply capabilities, and, on the other hand, they must seriously work on pioneering new products which can appropriately satisfy the needs for new kinds of materials.

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ZHEJIANG

ZHEJIANG RURAL HOUSEHOLDS INCREASE INCOME

OW311104 Beijing XINHUA in English 1046 GMT 31 Mar 86

[Text] Hangzhou, 31 March (XINHUA)--Half of the rural households of East China's Zhejiang Province had a per capita income of over 500 yuan in 1985, a provincial official said today.

The average per capita income of Chinese peasants was 397 Yuan last year, according to the State Statistical Bureau.

Zhejiang's comparative affluence "is due to a series of bumper crops," the official said.

During the Sixth 5-Year Plan (1981-1985), Zhejiang's average annual grain output increased to 16.3 million tons, up from 13.85 million tons during the previous 5 years.

As a result of the good harvests, the official said, only 3.1 percent of the peasant households in Zhejiang still lack basic food and clothing.

He said 7.4 percent of the province's rural residents' per capita income surpassed 1 thousand yuan, and that of another 43.3 percent households was between 500 and 1,000 yuan.

Altogether, the province's economic crops have generated a net income of 1.124 billion yuan for local peasants.

The opening up of new service industries employing 6 million peasants has also been a factor in the recent rural prosperity, according to the official.

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Veterinary Science

IMMUNIZATION METHOD WITH TRIVALENT HOG VACCINE

Lanzhou ZHONGGUO SHOUYI KEJI [CHINESE JOURNAL OF VETERINARY SCIENCE AND TECHNOLOGY] in Chinese No 11, 20 Nov 85 pp 10-12

[Article by Sichuan Provincial Veterinary Drug Machinery Company, Chengdu Drug Machinery Plant of the Ministry of Agriculture, Animal Husbandry and Fishery, and the Linshui County Animal Husbandry Bureau of Sichuan Province]

[Abstract] The trivalent hog vaccine is effective against hog plague, hog erysipelas, and hog pneumonic plague; the vaccine was developed by a joint scientific research team consisting of seven units led by the China Animal Drug Supervisory Office. This is a joint bacteria-virus vaccine developed from hog plague 54-III mycorrhizae, as well as hog erysipelas GC42 and hog pneumonic plague Eob30 mycorrhizae. This is one of the plague vaccines first developed in China; each dose contains 150 immunizing units. The vaccine has been in use since the 1970s. Generally, efficacy was proven though scattered cases of hog plagues occurring at different times. The paper reports on observations of vaccine use in 1984.

Generally, if 2-month-old piglets are vaccinated, immunization against hog erysipelas and hog pneumonic plague is effective; however, a certain proportion of piglets is incapable of becoming immunized against hog plague with a dose of 150 immunizing units. This is why there have been scattered cases of hog plague. It may be possible to wipe out these cases with a dose strength greater than 150 units. Only tests can tell. The paper was written by Gao Ruilun [7559 3843 0243] of the Chengdu Drug Machinery Plant. The paper was received for publication on 19 February 1985.

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PATHOLOGICAL STUDY OF ARTIFICIAL INOCULATION OF HOG PLAGUE HIGH TOXIN--VARIATIONS OF ORGAN AND INNER RETICULAR FIBERS OF LYMPH NODES

Lanzhou ZHONGGUO SHOUYI KEJI [CHINESE JOURNAL OF VETERINARY SCIENCE AND TECHNOLOGY] in Chinese No 11, 20 Nov 85 pp 12-14

[Article by Sang Yuzhou [2718 7183 0719] of the Food Department, Hangzhou Commerce College, Ye Junhua [5509 6511 5478] of Western Tianjin Suburb Sanitation and Epidemic Control Station, and Sun Biancheng [1327 6708 1004] of Changsha Municipal Sanitation and Epidemic Control Station]

[Abstract] The reticular fibers support the frame of a swine body. Once the tissues of an organ are impaired or repair is ongoing, the reticular fibers have been subjected to variations with collagenization, agglutination, or dissolving via liquefaction. Dyeing with reticular fibers can produce very clear displays even for a tiny focal necrosis, which appears very blurred with H.E. dyed slide. Therefore, the variations of reticular fibers provide a useful guide in diagnosing diseases. In 1962, Wan Misheng [5502 3046 3932] described the variations of the basic mesenchyma in some organs for hog plague cases. The paper reports on 35 cases of the artificial inoculation of hog plague high toxin with observations on reticular-fiber variations in the heart, liver, spleen, lungs, kidney and lymph nodes. The materials used were fixed with 10-percent formalin and made into paraffin slides before employing the Gordon-Sweet silver coated dyeing method for microscopy of reticular fibers. For selection of animals and methods of relieving the toxin, please see ZHONGGUO SHOUYI KEJI, No 9, 1985.

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